

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of SBC Communications Inc. ("SBC") and AT&T Corp. ("AT&T") for Authorization to Transfer Control of AT&T Communications of California (U-5002), TCG Los Angeles, Inc. (U-5462), TCG San Diego (U-5389), and TCG San Francisco (U-5454) to SBC, Which Will Occur Indirectly as a Result of AT&T's Merger With a Wholly-Owned Subsidiary of SBC, Tau Merger Sub Corporation.

Application 05-02-027
(Filed February 28, 2005)

**ADMINISTRATIVE LAW JUDGE'S RULING
REGARDING ELIGIBILITY TO CLAIM
INTERVENOR COMPENSATION**

The following parties filed Notices of Intent (NOI) to claim intervenor compensation in this proceeding pursuant to § 1801 et seq. of the Public Utilities Code and Rule 76.71 et seq. of the Commission's Rules of Practice and Procedure.

<u>Party</u>	<u>Date Filed</u>
Latino Issues Forum (LIF).....	May 10, 2005
Greenlining Institute	May 17, 2005
Disability Rights Advocates (DRA)	May 18, 2005
The Utility Reform Network	May 20, 2005
(TURN)	
Community Technology	May 20, 2005
Foundation of California (CTFC)	

Public Utilities Code Section 1804(c) states that within 15 days after service of the notice of intent to claim intervenor compensation, the assigned

administrative law judge (ALJ) may direct the staff, and may permit any other interested party, to file a statement responding to the notice.

Interested parties were permitted to file a statement responding to one or more of the above-referenced notices of intent to claim intervenor compensation, due by June 3, 2005. No party filed a response to the intervenor compensation NOI filings.

This ruling addresses whether the intervenors in question will be eligible for an award of compensation, and whether a showing of “significant financial hardship” has been made. The term “significant financial hardship” is found in § 1804(g) of the Code, stating:

“Significant financial hardship” means either that the customer cannot without undue hardship afford to pay the costs of effective participation, including advocate fees, expert witness fees, and other reasonable costs of participation, or that, in the case of a group or organization, the economic interest of the individual members of the group or organization is small in comparison to the costs of effective participation in the proceeding.

As stated in § 1804(c), a finding of significant financial hardship creates a rebuttable presumption of eligibility for compensation in other Commission proceedings commencing one year from the date of that finding.

Showing of TURN

TURN presented its annual showing of significant financial hardship pursuant to § 1804 in its NOI filed in this proceeding. TURN argues that it represents an interest – the residential customer class – that would not otherwise be adequately represented in this proceeding. The Commission has previously recognized that adequate representation requires not only the efforts of the Office of Ratepayer Advocates, but also the participation of interested parties.

The Commission has also previously recognized that the economic interests of TURN's individual members are tiny in comparison to the costs of effective participation in Commission proceedings. The Commission has also previously indicated that, in the case of an organization such as TURN, the test for significant financial hardship looks to the economic interests of the individual members of the group in comparison with the costs of effective participation. Although not specifically required by statute or Commission rules, TURN also supplied information concerning its financial position. For the fiscal year ended June 30, 2004, TURN reports that compensation awards accounted for approximately 66% of TURN's total income. TURN asserts that intervenor compensation awards represent a critical portion of TURN's total budget.

It is found that TURN has made a satisfactory showing of "significant financial hardship" and is eligible to claim intervenor compensation in this proceeding.

Showing of CTFC, LIF

CTFC and LIF elected to defer their showing of significant financial hardship until they each submit their Request for Award of Compensation later in this proceeding. Accordingly, they are each found eligible to claim intervenor compensation subject to making a satisfactory showing of financial hardship at the time they each submit their intervenor compensation claim.

Showing of Greenlining and DRA

Greenlining states that the requisite finding of financial hardship was made with respect to its eligibility in the April 8, 2005 ALJ ruling in A.04-12-014. Greenlining indicates that, if the Commission deems it necessary, it will make a further showing of financial hardship at the time of filing its Request for Award of Compensation.

DRA states that the requisite finding of financial hardship was made with respect to its eligibility in the April 8, 2005 ALJ ruling in R.03-04-003, and in the November 22, 2004 ALJ ruling in R.04-12-011.

In view of the previous findings of financial hardship made for Greenlining and DRA, no further showing will be required at this time, and they are each deemed eligible to claim intervenor compensation in this proceeding.

IT IS RULED that:

1. The Utility Reform Network has made the requisite showing of financial hardship in this proceeding as required by § 1804(g) of the Public Utilities Code, and is found eligible to claim intervenor compensation in this proceeding.

2. Because Greenlining Institute and Disability Rights Advocates were previously found to have met the showing of financial hardship in separate proceedings, as cited above, no further showing of financial hardship shall be required at this time. They are each found eligible to claim intervenor compensation in this proceeding.

3. Since Community Technology Foundation of California and Latino Issues Forum deferred a showing of significant financial hardship until submission of the Request for Award of Compensation, they are each found eligible to claim intervenor compensation subject to making a satisfactory showing of financial hardship in their subsequent filing in this proceeding.

Dated November 4, 2005, at San Francisco, California.

/s/ THOMAS R. PULSIFER

Thomas R. Pulsifer
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Regarding Eligibility to Claim Intervenor Compensation on all parties of record in this proceeding or their attorneys of record.

Dated November 4, 2005, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.